



July 7, 2008

Ms. Sonja Anderson  
Power Marketing Manager,  
Sierra Nevada Region,  
Western Area Power Administration,  
114 Parkshore Drive  
Folsom, CA 95630-4710

Subject: Comments Proposed 2015 Resource Pool Size and Revised Eligibility Criteria

Dear Ms. Anderson:

The purpose of this letter is to provide Western with Redding's comments on Western's proposed 2015 Resource Pool Size and Revised Eligibility Criteria as described in Federal Register Notice (FRN) 73 FR 24592 dated May 5, 2008.

Redding has reviewed Western's Proposed 2015 Resource Pool Size and supports Western's approach in establishing (sizing) the pool using a two percent reduction for all customers including those that received an allocation under the Marketing Plan through the 2005 Resource Pool. Such a methodology provides for the most equitable contribution from each existing customer, and meets the on-going intent of the Marketing Plan (as demonstrated in creation and allocation of the 2005 Resource Pool).

Additionally, Western is proposing to revise the Eligibility Criteria by deleting the Eligibility Criteria from the following paragraph:

"Existing Customers may apply for a resource pool application if their Extension CRD, set forth in Appendix A [of the Marketing Plan **Federal Register** 64 FR 34417], is not more than 15 percent of their peak load in the calendar year prior to the Call for Applications, and not more than 10 MW".

Western's proposal provides for the broadest and most open participation in the Call for Application and provides the best opportunity to ensure full subscription of its resources. In conclusion, Redding supports Western's approach.

Finally, based upon our read of Western's proposed methodology as described in the FRN, Redding's existing Base Resource share would increase from 7.70256 percent to 8.054435 percent as shown in the attachment PDF table (provided by Western). We believe it is important to be certain of Redding's new allocation percentage and the application of the process as discussed in the FRN since there is no longer a CRD (Contract Rate of Delivery) by which to base Western's contract allocation adjustments on. If we have misunderstood our new allocation, please let us know.

Thank you for the opportunity to express our support for Western's proposed changes to the 2015 Resource Pool Size and Revised Eligibility Criteria.

Sincerely, .

A handwritten signature in black ink that reads "Tim Nichols". The signature is written in a cursive, flowing style.

Tim Nichols  
Assistant Electric Director - Resources